

How The New Club of Paris came into existence

Starting in early 1998, the then so called Austrian Research Centers (ARC, today: Austrian Institute of Technology, AIT) under its director Guenter Koch and with the academic assistance and support of Prof. Ursula Schneider from the University of Graz, developed a method and model for Intellectual Capital Reporting. The founding idea was to represent the performance and the doing of the ARC research organisation such that its political owner, the Government of the Republic of Austria, would have a tool at its hand to analyze and to follow the development and performance results of the publicly funded ARC. ARC not only developed such method and introduced it for its own purposes, the Austrian Government became so much convinced about this IC reporting approach, that it was also introduced for the Austrian universities, obliging them by law to annually deliver such IC report, as well as the Federal Austrian Court of Audit assimilated it for its own purposes and integrated it in its audit tool box.

In 2004 the German Federal Ministry of Economy called for a meeting which took place in Frankfurt. The subject of this assembly was to identify concrete measures appropriate for German SMEs, to effectively introduce Knowledge Management methodologies in this community. Participants of this meeting, besides representatives of the Ministry, were independent experts, representatives of the Austrian Research Centers (ARC) and some of its former collaborators in developing ARC's IC reporting project, as well as from Scandinavia representatives of their "school" in IC reporting. In order to achieve an immediate start "on the fly" in Germany, the discussion under the moderation of Klaus North focused on which of the two "schools" of IC reporting should be "imported" to Germany and to be adapted to its SMEs. The final decision was to adopt the IC reporting method which was developed at the ARC from on 1998. A project call to instantiate this method in Germany was initiated immediately after this founding meeting by the Ministry. The project was won by a Berlin based Fraunhofer Institute, the IPK, which transformed the method first by means of a guidebook and later by some supporting software. By this project, the ARC-originated IC reporting model and method received a further extension and improvement and was introduced since then many thousand times in German industry.

By his function, the head of the ARC, Günter Koch, was member of the Board of the European Research and Technology Association (EARTO), the No. 1 transnational association composed of the largest applied research organizations in European countries, with members like ARC, Fraunhofer and similar. After ARC's IC reporting had been so well adopted in Austria, this method was proposed to EARTO for further promotion in European R&D. This strategy found the support of EARTO's president, at that time Fraunhofer's president Prof. H.-J. Bullinger, and especially from the part of the Swedish representative (Jan Rylander). In practical terms, G. Koch and the General Secretary of EARTO, Hendrik Schlesing, were mandated and took action to lobby the European Commission for getting a study on the introduction of IC reporting methodology in Europe funded. In several meetings mainly in 2003 between G. Koch / H. Schlesing and director's level representatives of European Commission's Directorate of Research, decision was finally made to establish a High Level Expert Group on this subject. The reason, why the EC put it on that elevated agenda level was, that they became convinced, that IC Reporting especially of research based organisations and companies would help to increase their credibility towards investors and creditors. The accreditation of participants of the then founded High Level Experts Group was agreed between the Commission and EARTO (Koch and Schlesing) by identifying the leading protagonists in IC reporting in Europe,

amongst them further members from ARC, plus Leif Edvinsson from Sweden, Ahmed Bounfour from France, Jan Mouritsen from Denmark and several more. The group was chaired by Tim Hoad (UK), not the least because him being a native English speaker. The group started to work in 2004 and delivered a conclusive report called RICARDIS in 2006 (see http://ec.europa.eu/invest-in-research/pdf/download_en/2006-2977_web1.pdf).

On initiative of Guenter Koch, three members of the RICARDIS High Level Expert Group, L. Edvinsson, A. Bounfour and he himself met in Paris in 2005 with the objective, to continue the work started in the RICARDIS project and to make it a subject of ongoing developments and political recognition of what then was called "knowledge politics". The idea was born to form an association, and, since it was created in Paris, and since Paris based A. Bounfour in cooperation with the World Bank Institute had already established there a prominent annual Conference on the subject "IC of Nations, Regions and Communities", the three decided to call it The New Club of Paris. First draft of a manifesto, what the mission of the Club shall be was designed by Guenter Koch and after some discussions was iterated towards its final version issued by the three founders. The manifesto remained unchanged until today. He as well took action to get the Club to become a legal body as an association under Austrian Law. This status was granted by Austrian authorities in 2006 and the office of the NCP then was settled in Vienna where it stayed for eight years until 2013.

Vienna, March 2014

G. Koch